



## San Mateo County Real Estate

February 2022 Report

COMPASS

## 2022 Begins with Mixed Economic Indicators

2021 was one of the most frenzied real estate markets ever, with buyer demand far exceeding the supply of listings available to buy – and all the usual indicators, including home price appreciation trends, reflected this severe imbalance. As is the normal seasonal trend, listing and offer activity dropped substantially mid-November through early January, resulting in very low sales volume in the year's first month.

As of 2/3/22, mortgage interest rates have risen 14% in 2022, putting them 34% above the low 1 year ago. Inflation is at a 40-year high, and the Fed plans to make major changes to its interest-rate policies and its interventions in the economy generally. Consumer confidence has been dropping, and financial markets have seen considerable turbulence in the new year. Geopolitical risks of major-power conflict appear to be rising.

On the other hand, employment, GDP, and household-wealth indicators are quite positive; by historical standards, interest rates remain very low and stock markets very high; COVID infections are falling. The Bay Area is home to many of the world's most innovative and successful companies; there is an enormous concentration of local wealth; and a *staggering* amount of money sloshing around the economy looking for somewhere to invest. Many believe real estate to be an excellent hedge against inflation, and an excellent long-term investment generally (heightened by tax advantages).

**In the Bay Area, real estate market indicators remain very strong:** demand for homes still very high, inventory still very low. So far, buyers do not seem to be significantly rattled by stock market gyrations, and increasing interest rates may be motivating some to buy sooner than later. As the new year wakes up, a common dynamic in heated markets is for buyers to jump back in much *faster* than sellers: Demand outpaces supply right from the start, with all the usual results (multiple offers, overbidding, fast sales), even as the number of new listings starts climbing. This describes 2022 to date, but more will be known once the spring selling season – typically the biggest of the year – really gets underway. (In the Bay Area, the “spring” market can begin in February.)

**As an aside:** Compared to the general market, luxury home buyers tend to be *less* sensitive to interest rate movements, but *more* sensitive to turbulence and uncertainty in financial markets.

Data from a variety of sources deemed reliable, but may contain errors and subject to revision. Economic indicators and political conditions can change with great rapidity. Many different opinions exist regarding current conditions, and past and future trends among economists, commentators and other analysts.

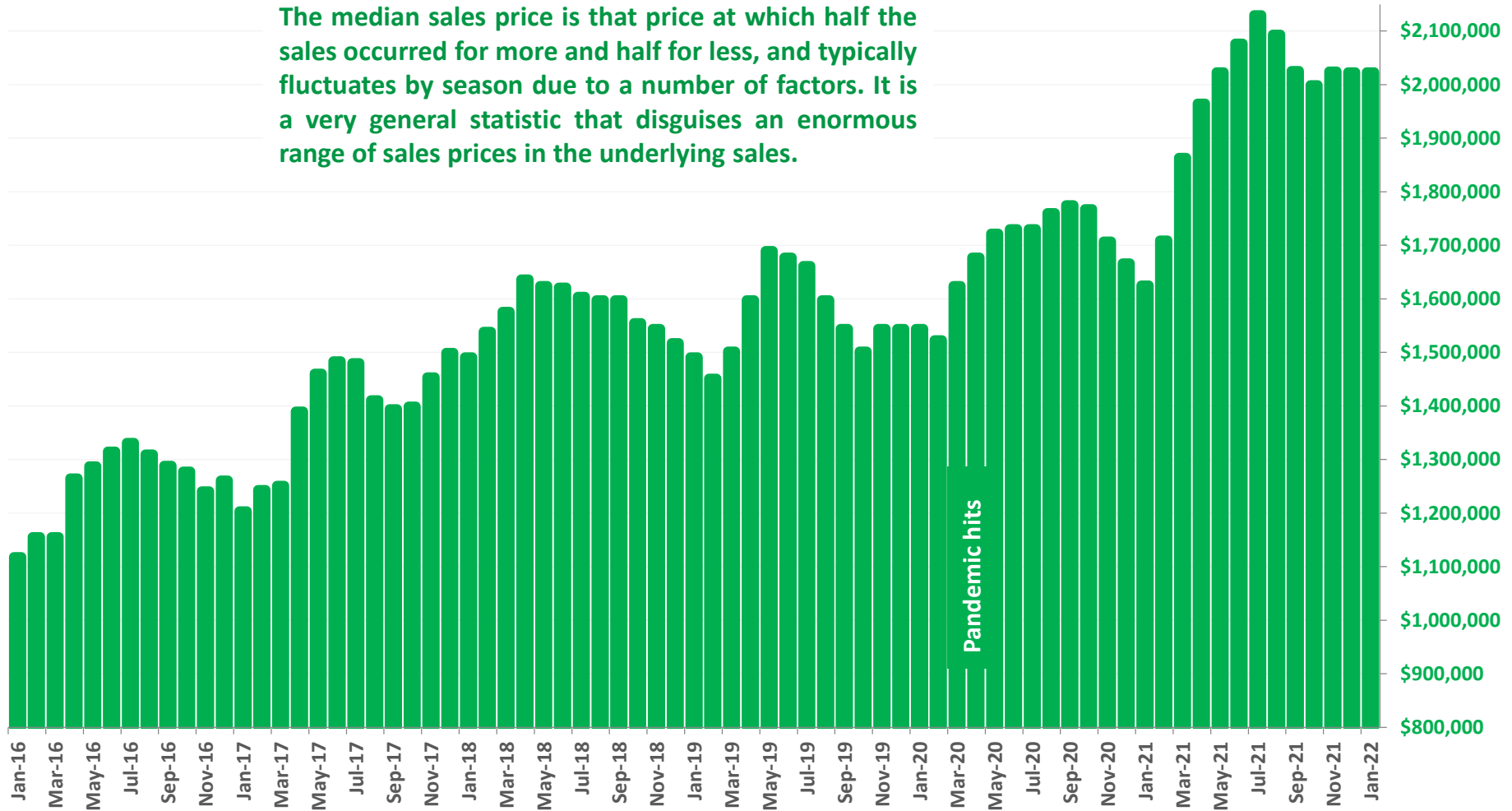
COMPASS

# San Mateo County Median House Sales Price

## 3-Month-Rolling Median House Price since 2016

House sales reported to NorCal  
MLS Alliance, per Infosparks

The median sales price is that price at which half the sales occurred for more and half for less, and typically fluctuates by season due to a number of factors. It is a very general statistic that disguises an enormous range of sales prices in the underlying sales.



Median Prices can be affected by other factors besides changes in fair market value, such as seasonal trends and changes in the luxury segment. Sales prices in one month generally reflect deals negotiated in the prior month or two. This analysis was performed in good faith with data derived from sources deemed reliable, but may contain errors and is subject to revision. Late reported sales may alter the last entry. All numbers are approximate.



# San Mateo County: Supply of Inventory\*

## Active Listings on 2/1/22

Active/Coming-Soon HOUSE Listings,  
as of 2/1/22, with Median House List Prices\*

### House, Condo & Townhouse MLS Listings & Sales\*

As of February 1, 2022, there were 353 active/coming-soon house, condo and townhouse listings posted to MLS, equaling an 18-day supply of inventory as compared to last year's sales.

Generally speaking, under 3 months of inventory is typically considered a "seller's market."

New listing activity typically increases rapidly moving into early spring, but 2022 supply is starting from an extremely low base – which highly pressurizes the market.

353

7,155

Active Listings 2/1/22

12 Months Sales

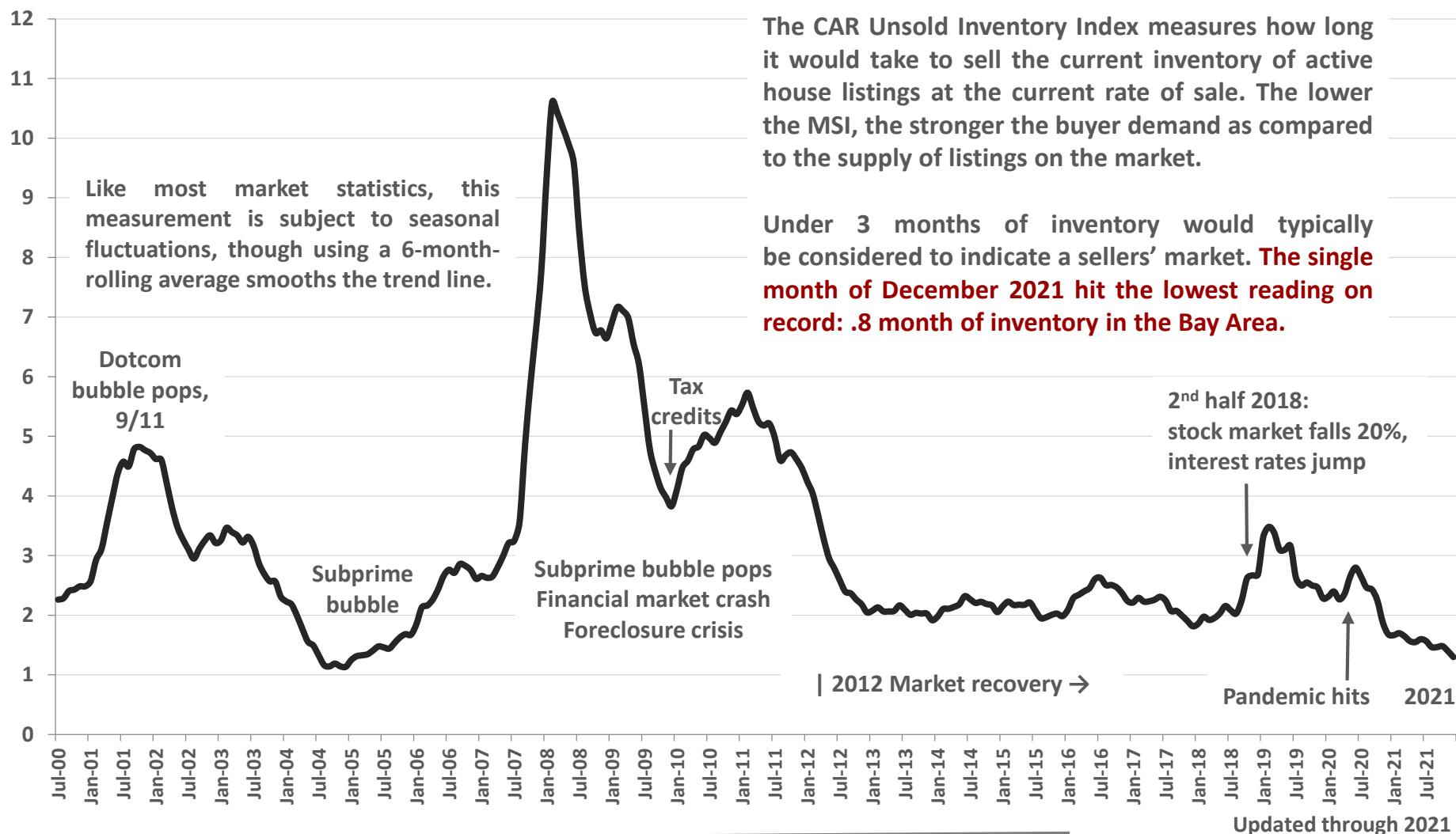
- Atherton – 12 listings - \$12,000,000
- Belmont – 5 listings - \$1,898,000
- Brisbane – 3 listings - \$1,998,000
- Burlingame – 5 listings - \$2,795,000
- Daly City – 15 listings - \$1,150,000
- E. Palo Alto – 11 listings - \$1,649,000
- El Granada – 3 listings - \$2,800,000
- Foster City – 3 listings - \$2,688,000
- Half Moon Bay – 4 listings - \$1,475,000
- Hillsborough – 16 listings - \$5,975,000
- Menlo Park – 18 listings - \$2,943,500
- Millbrae – 4 listings - \$1,933,500
- Pacifica – 13 listings - \$1,300,000
- Portola Valley – 4 listings - \$7,994,000
- Redwood City – 28 listings - \$2,443,500
- Redwood Shores – 1 listing @ \$2,400,000
- San Bruno – 12 listings - \$1,375,000
- San Carlos – 8 listings - \$2,499,500
- City of San Mateo – 23 listings - \$1,598,000
- Woodside – 17 listings - \$6,750,000

Median list prices may not be representative of typical median house sales values. Median list prices for active inventory often skew *higher* than median *sales* prices, especially in the most expensive markets.

\* Active/Coming Soon listings posted to NorCal MLS Alliance, and 12 months sales of MLS home listings through 1/20/22. Data from sources deemed reliable, but may contain errors and subject to revision. Not all listings are posted to MLS. All numbers approximate. Numbers and median list prices change on a daily basis.

# Unsold Inventory Index in Months of Supply of Active Listings

## Bay Area House Market, 2000 – 2021, 6-Month Rolling Average\*



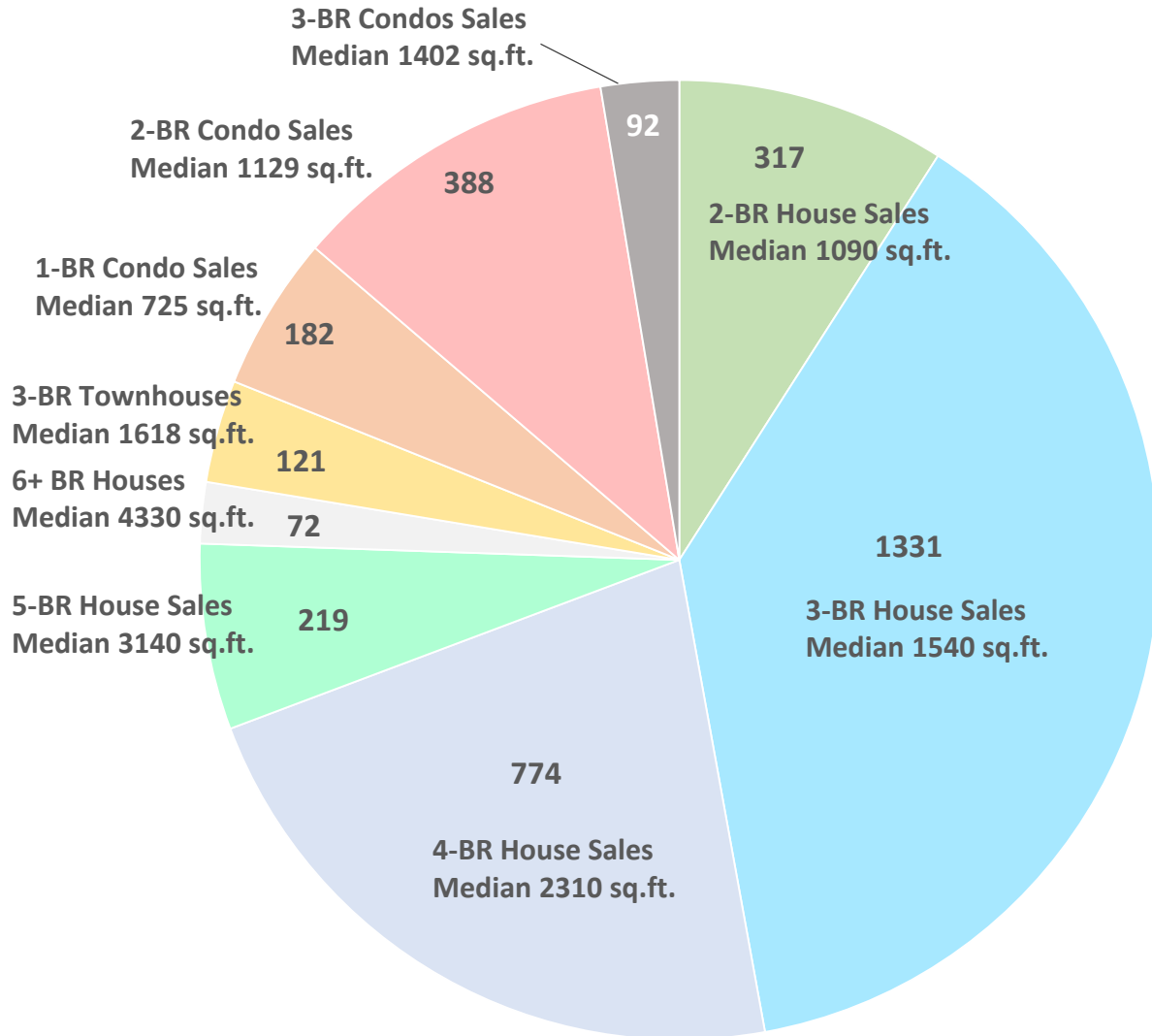
\* 6-month rolling average of California Association of Realtors monthly data for existing single family dwellings, for 9 Bay Area Counties. Not seasonally adjusted; does not include condo inventory (which would raise the reading). Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate.

COMPASS

# San Mateo County Home Sales Breakdown

## 6 Months Sales by Property Type & Bedroom Count

January 2022 update: 6 months  
sales reported to NorCal MLS  
Alliance through 1/21/22



### Median Sales Prices & Median \$/Sq.Ft.

- 2-BR Houses - \$1,319,000, \$1205/sq.ft.
- 3-BR Houses - \$1,718,000, \$1151/sq.ft.
- 4-BR Houses - \$2,500,000, \$1086/sq.ft.
- 5 BR Houses - \$3,500,000, \$1046/sq.ft.
- 6+ BR Houses - \$5,412,500, \$1140/sq.ft.
- 3-BR Townhouses - \$1,515,000, \$910/sq.ft.
- 1-BR Condos - \$600,000, \$815/sq.ft.
- 2-BR Condos - \$875,000, \$794/sq.ft.
- 3-BR Condos - \$1,026,500, \$791/sq.ft.

Does not include sales unreported to MLS. Based upon data sources deemed reliable, but may contain errors and subject to revision. Selected property configurations. All numbers approximate.

COMPASS

# Bay Area House Sales, 2019-2021\*

## By Bedroom Count & Lot Size

■ 2019

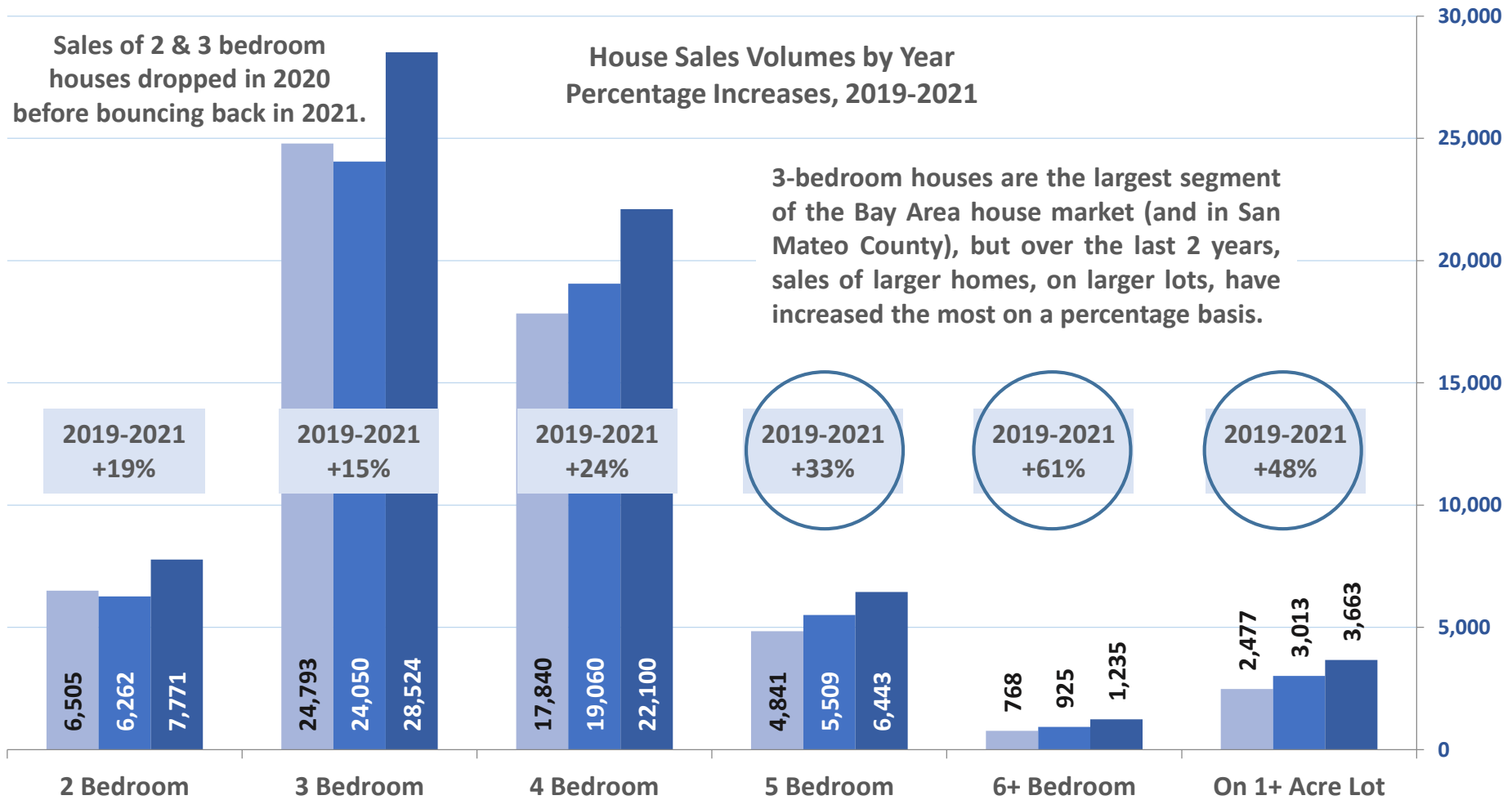
■ 2020

■ 2021

Sales of 2 & 3 bedroom houses dropped in 2020 before bouncing back in 2021.

House Sales Volumes by Year  
Percentage Increases, 2019-2021

3-bedroom houses are the largest segment of the Bay Area house market (and in San Mateo County), but over the last 2 years, sales of larger homes, on larger lots, have increased the most on a percentage basis.



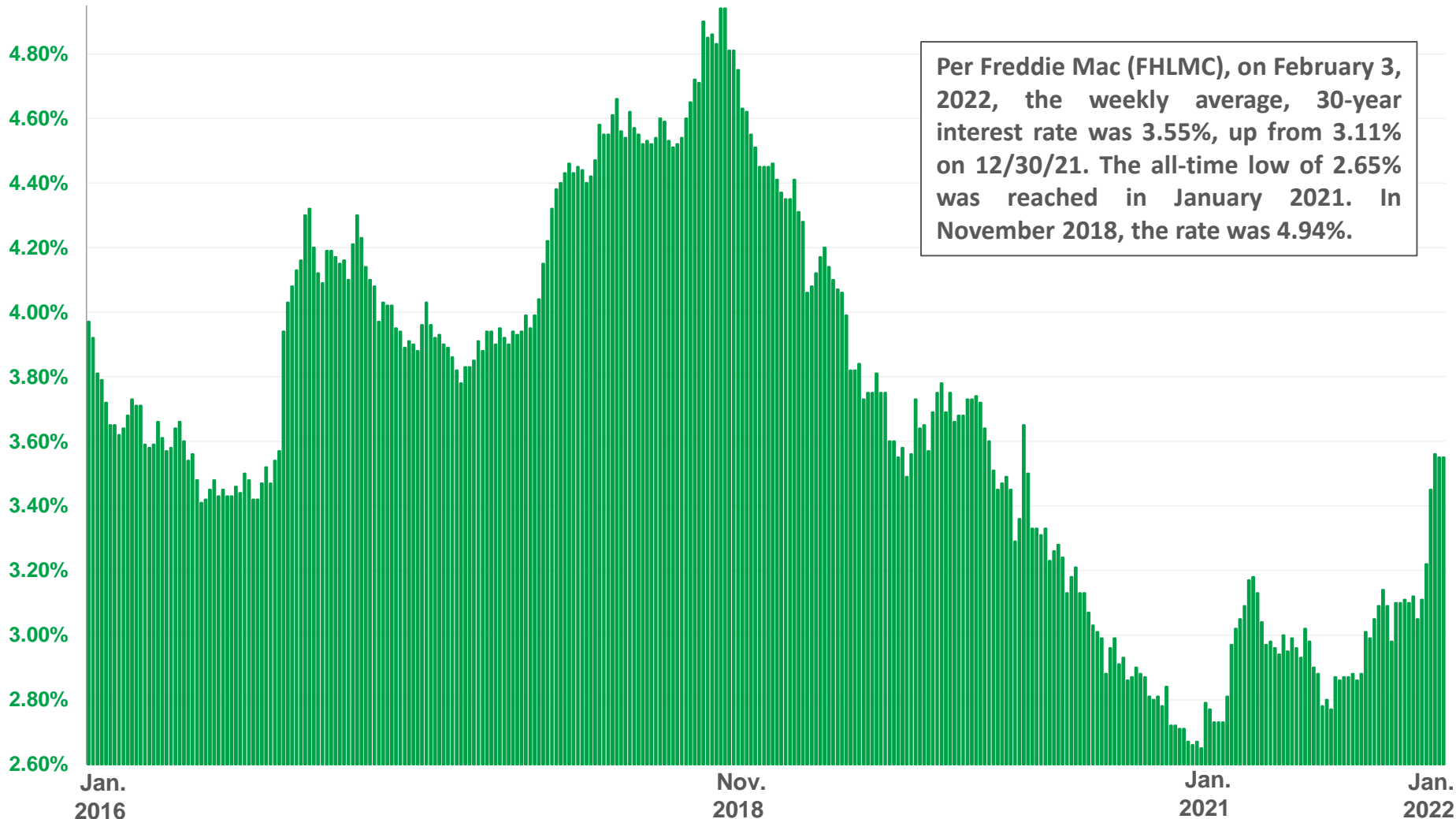
\* Sales reported to NorCal MLS Alliance for 11 Bay Area Counties, from Napa to Monterey. Data from sources deemed reliable, but may contain errors and subject to revision. Not all sales are reported to MLS. All numbers approximate.

COMPASS

# Mortgage Interest Rate Trends, 2016 – Present

## 30-Year Conforming Fixed-Rate Loans, Weekly Average Readings

Rates published by the FHLMC,



Interest rates may fluctuate suddenly and dramatically, and it is very difficult to predict rate changes. Data from sources deemed reliable but not guaranteed. Anyone interested in residential home loans should consult with a qualified mortgage professional and their accountant.

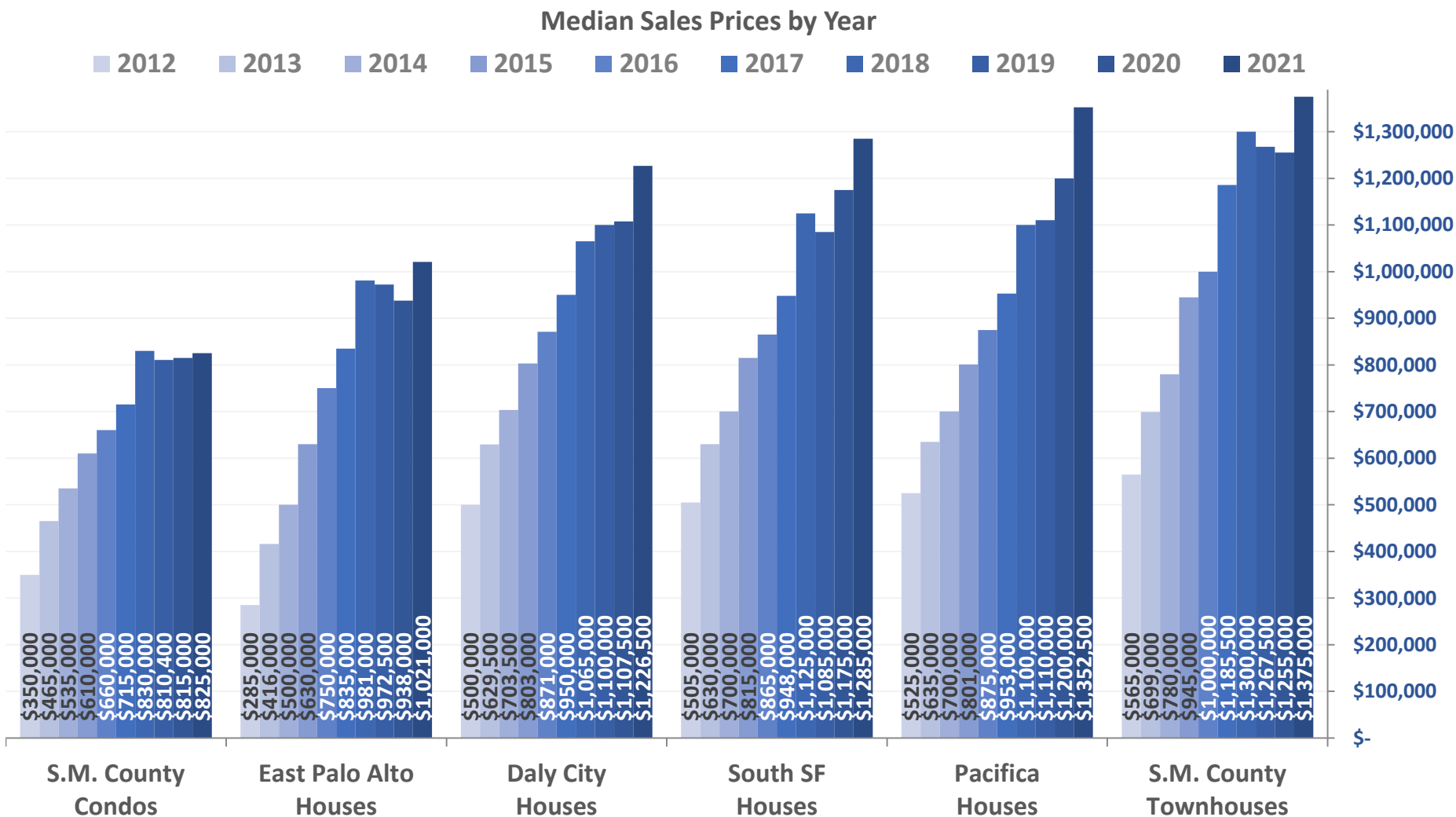
COMPASS



# Median Home Sales Price Trends since 2012

## San Mateo County Values & Selected Cities

Sales reported to NorCal MLS Alliance



Median Sales Price is that price at which half the sales occurred for more and half for less. It is a general statistic that may be affected by other factors besides changes in fair market value. Median sales prices typically disguise a huge variety of sales prices in the individual underlying sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported sales.

COMPASS

# Median House Sales Price Trends since 2012

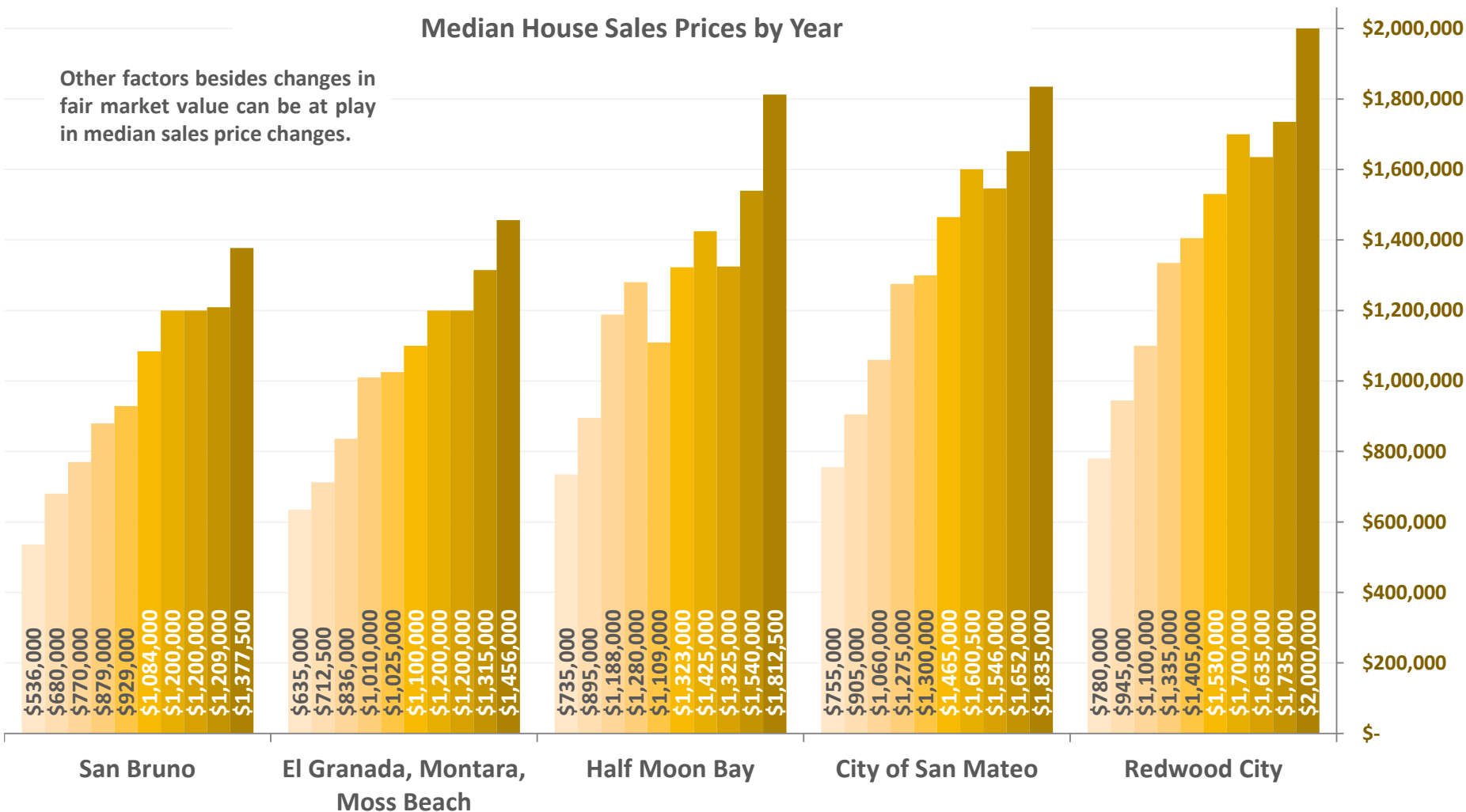
## San Mateo County – Selected Cities

Sales reported to NorCal MLS Alliance

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

### Median House Sales Prices by Year

Other factors besides changes in fair market value can be at play in median sales price changes.



Median Sales Price is that price at which half the sales occurred for more and half for less. It is a general statistic that may be affected by other factors besides changes in fair market value. Median sales prices typically disguise a huge variety of sales prices in the individual underlying sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported sales.

COMPASS

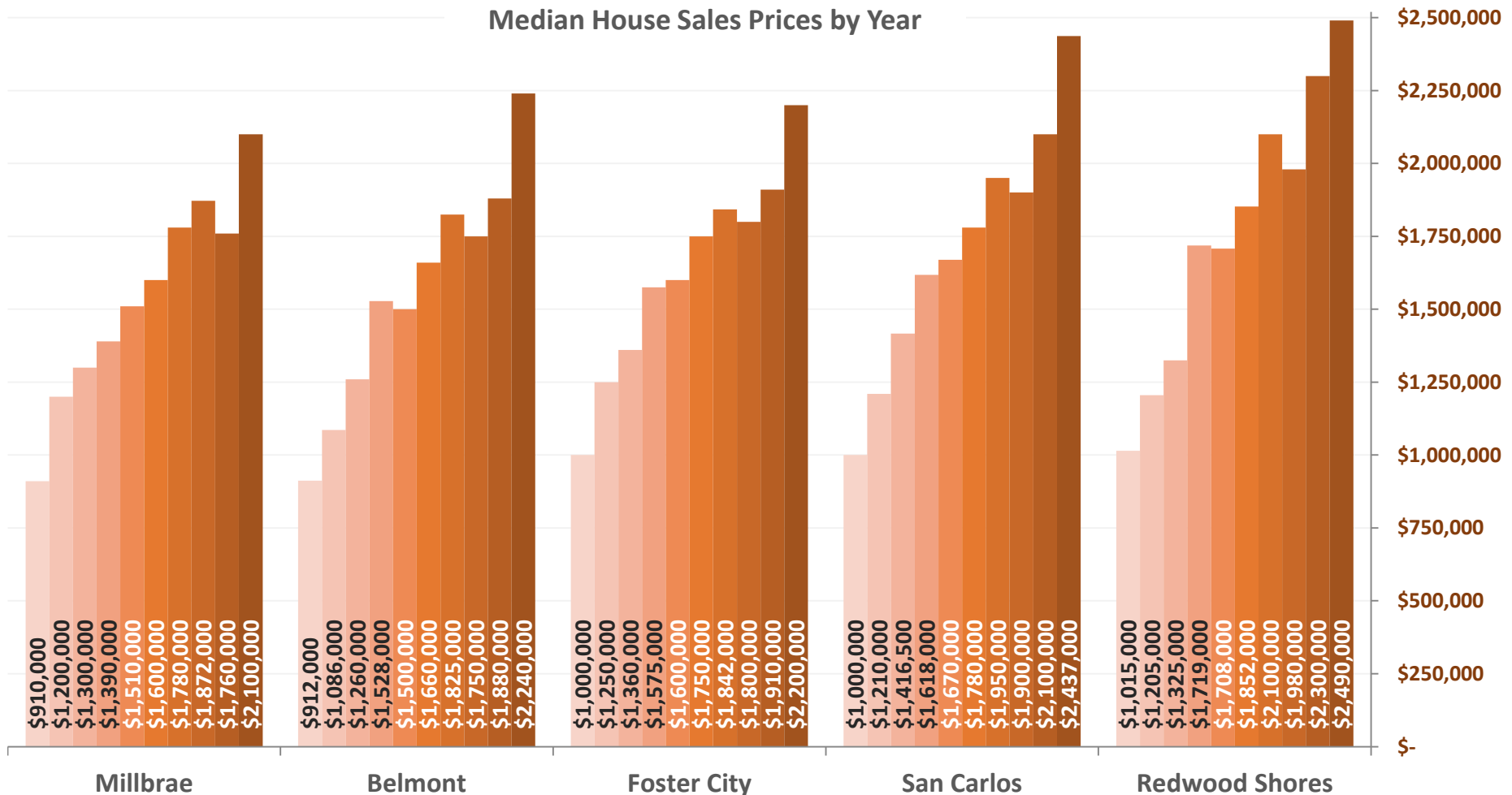
# Median House Sales Price Trends since 2012

## San Mateo County – Selected Cities

Sales reported to NorCal MLS Alliance

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

Median House Sales Prices by Year



Median Sales Price is that price at which half the sales occurred for more and half for less. It is a general statistic that may be affected by other factors besides changes in fair market value. Median sales prices typically disguise a huge variety of sales prices in the individual underlying sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported sales.

COMPASS

# Median House Sales Price Trends since 2012

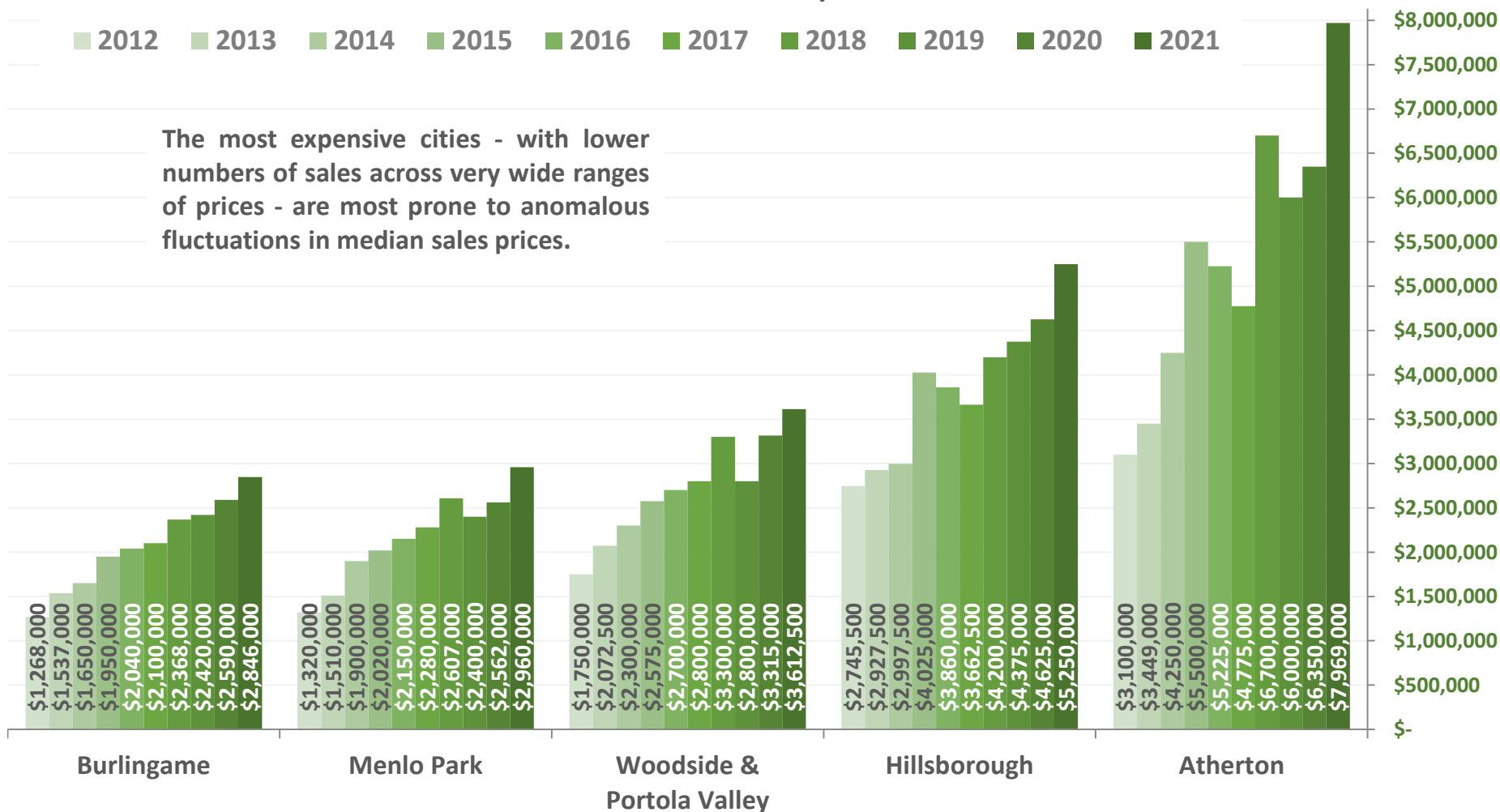
## San Mateo County – Selected Cities

Sales reported to NorCal MLS Alliance

Median House Sales Prices by Year

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

The most expensive cities - with lower numbers of sales across very wide ranges of prices - are most prone to anomalous fluctuations in median sales prices.



Median Sales Price is that price at which half the sales occurred for more and half for less. It is a general statistic that may be affected by other factors besides changes in fair market value. Median sales prices typically disguise a huge variety of sales prices in the individual underlying sales. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers are approximate, and may change with late reported sales.

COMPASS

# Bay Area Condo Sales, 2019-2021\*

## By Bedroom Count

■ 2019

■ 2020

■ 2021

Sales (and prices) of 1 & 2 bedroom condos generally dropped in Q2-Q3 2020 after the pandemic hit, before bouncing back in late 2020 and 2021 with vaccine rollouts and historic lows in interest rates.

The especially large rebound in 1-BR sales speaks, *possibly*, to first-time buyers (and perhaps investors) jumping into the market in 2021.

Condo Sales Volumes by Year  
Percentage Increases, 2019-2021

2019-2021  
+45%

2019-2021  
+31%

2019-2021  
+31%

1,846

1,781

2,669

5,836

5,704

7,632

1,992

2,249

2,613

1 Bedroom

2 Bedroom

3+ Bedroom

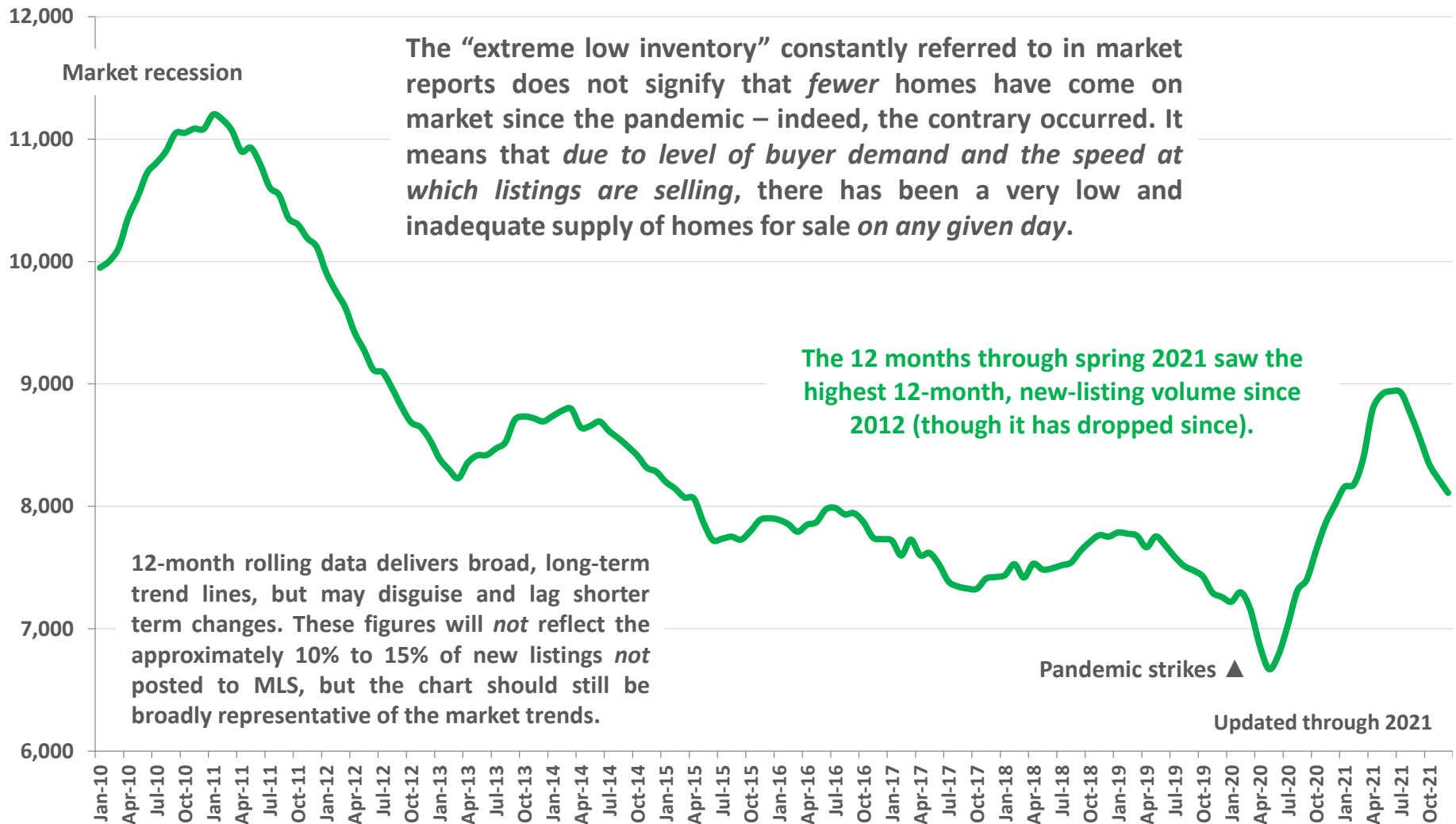
\* Sales reported to NorCal MLS Alliance for 10 Bay Area Counties, from Napa to Monterey, but not including San Francisco (whose urban condo market diverged from general patterns). Data from sources deemed reliable, but may contain errors and subject to revision. Not all sales are reported to MLS. All numbers approximate.

COMPASS



# New Listings Coming on Market, Long-Term Trends

San Mateo County, 12-Month Rolling, MLS Listing Data, since 2010\*



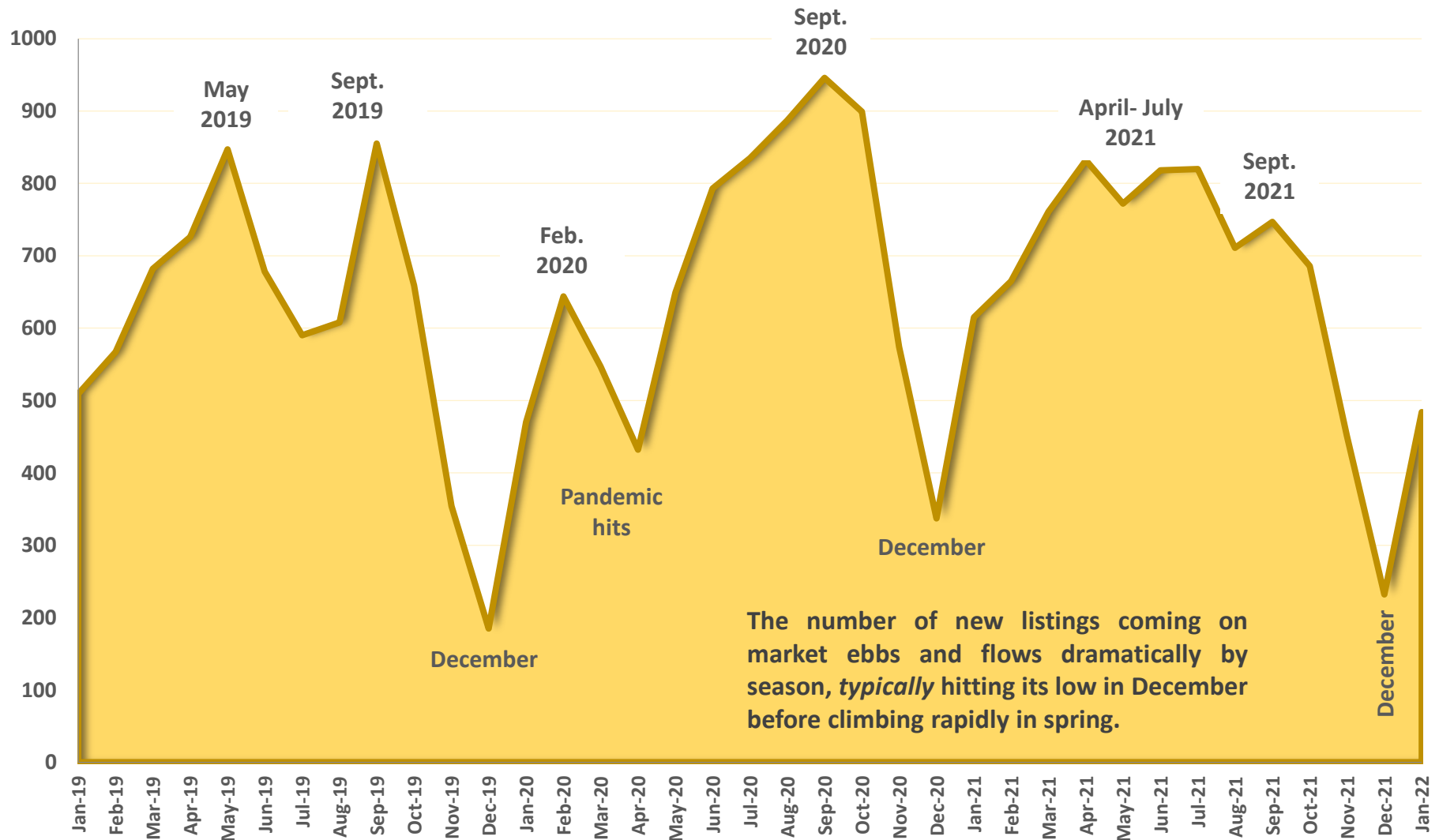
\* Each data point reflects the TOTAL of 12 months of activity for houses, condos, co-ops and townhouses. 1/12 of these numbers = an average month within the 12 month period. New listings reported to MLS, per NorCal MLS Alliance, per Infosparks. Data from sources deemed reliable, but may contain errors and subject to revision. Numbers are approximate and are meant to illustrate broad trends.

COMPASS

# New Listings Coming on Market by Month

## San Mateo County Market Dynamics & Seasonality

House, condo, townhouse listings reported to NorCal MLS Alliance, per Infosparks



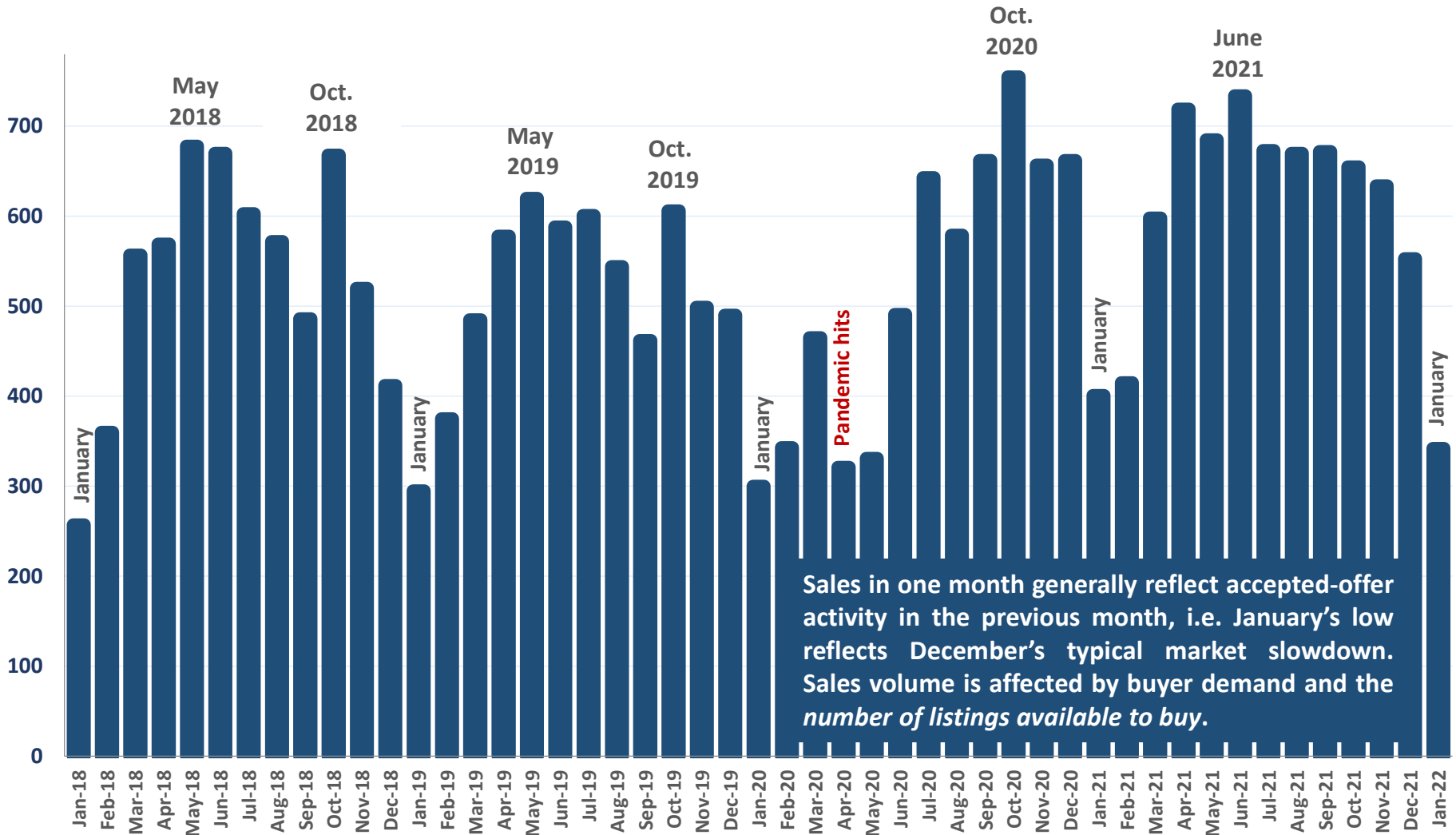
Data from sources deemed reliable but may contain errors and subject to revision. All numbers approximate.  
Last month numbers estimated based on available data, and may change with late reported activity.

COMPASS

# San Mateo County Sales Volume by Month

## Market Dynamics & Seasonality

Sales of houses, condos, townhouses  
reported to NorCal MLS Alliance



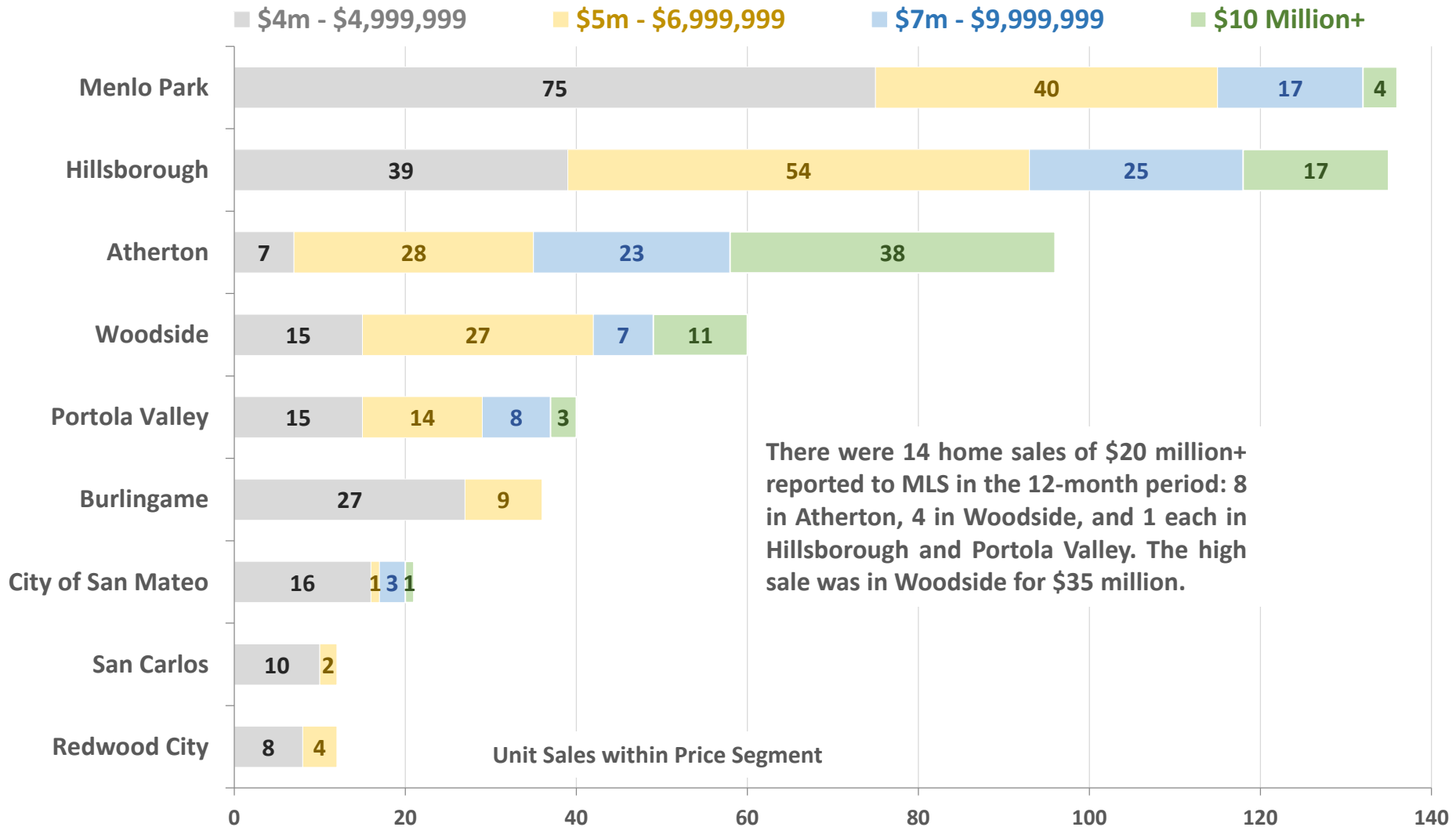
Per Infosparks. Data from sources deemed reliable but may contain errors and subject to revision. Last month estimated based on available information and may change with late reported sales. All numbers approximate.

COMPASS

# San Mateo County Luxury Home Market

12 Months Sales, Sales Prices of \$4,000,000+\*

January 2022 update: 12 months sales reported to MLS

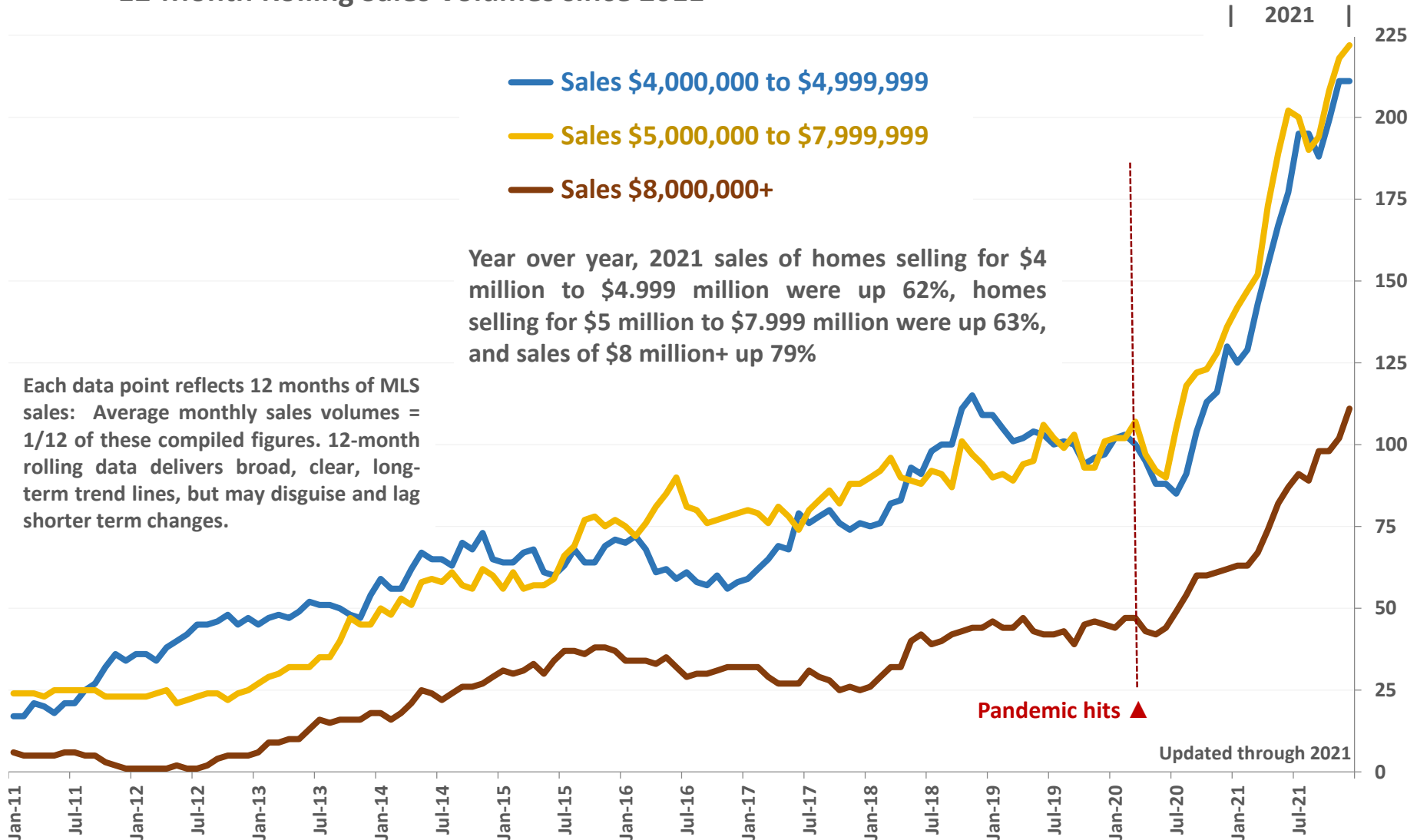


\* 12 months sales reported to NorCal MLS Alliance through 1/20/22. Not all sales are reported to MLS. Does not include every sale in every community. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers approximate, and may change with late reported sales.

COMPASS

# San Mateo County Long-Term Luxury Home Sales Trends

12-Month Rolling Sales Volumes since 2011\*



\* 12-month rolling sales data as reported to NorCal MLS Alliance, per Infosparks. Numbers may change with late reported sales. Data from sources deemed reliable, but may contain errors and subject to revision. Not all sales are reported to MLS. All numbers approximate.

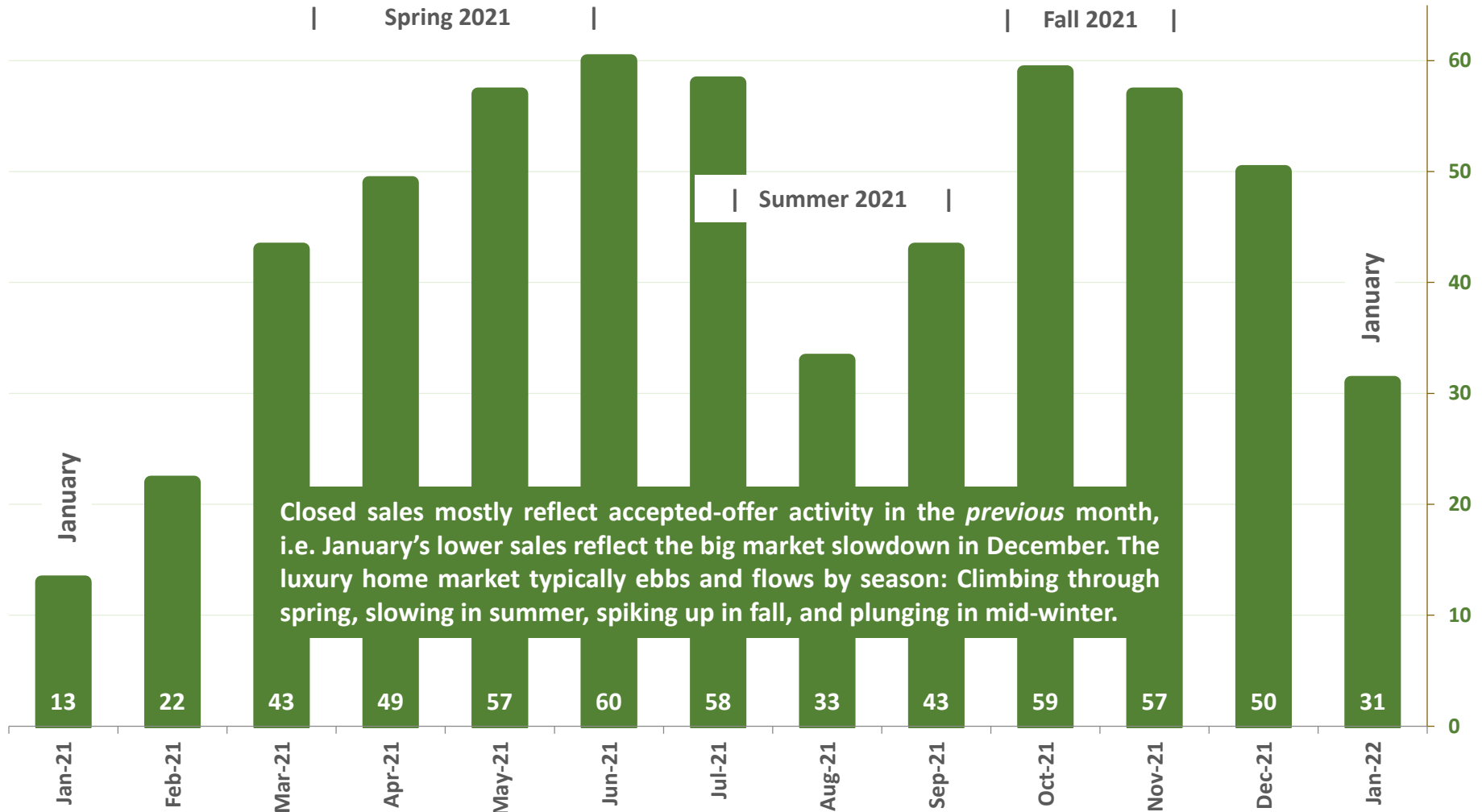
COMPASS



# San Mateo County Short-Term Luxury Home Sales

Homes Selling for \$4 Million+, January 2021 – January 2022

Residential sales reported to  
NorCal MLS Alliance, per Infosparks



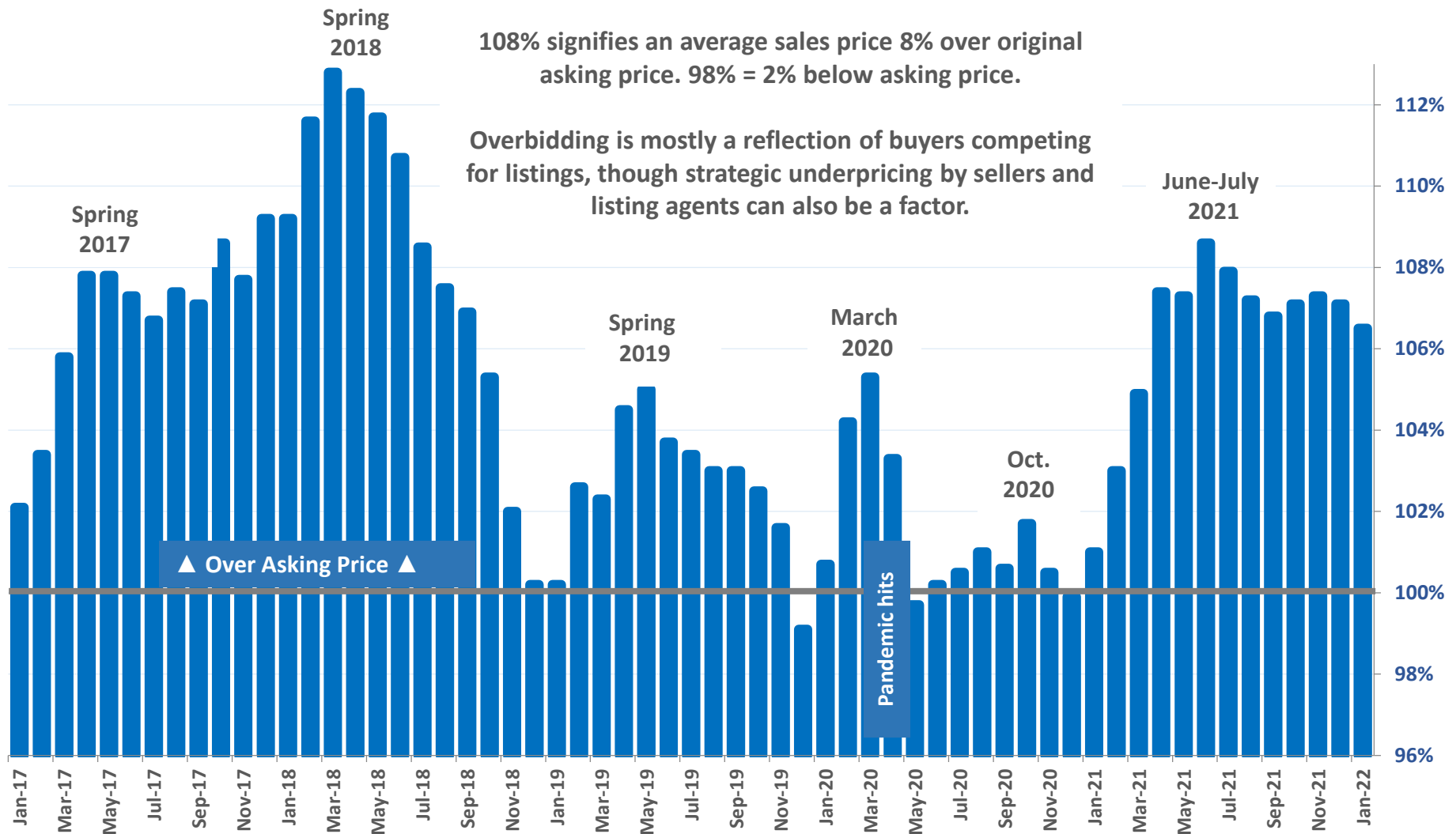
Sales reported to MLS. Data from sources deemed reliable but may contain errors and subject to revision. Last month estimated from available data, and may change with late-reported sales. All numbers approximate.

COMPASS

# Average Sales Price to Original List Price Percentage

## San Mateo County Market: Overbidding of Asking Prices

MLS sales of houses, condos and townhouses, per Infospartks



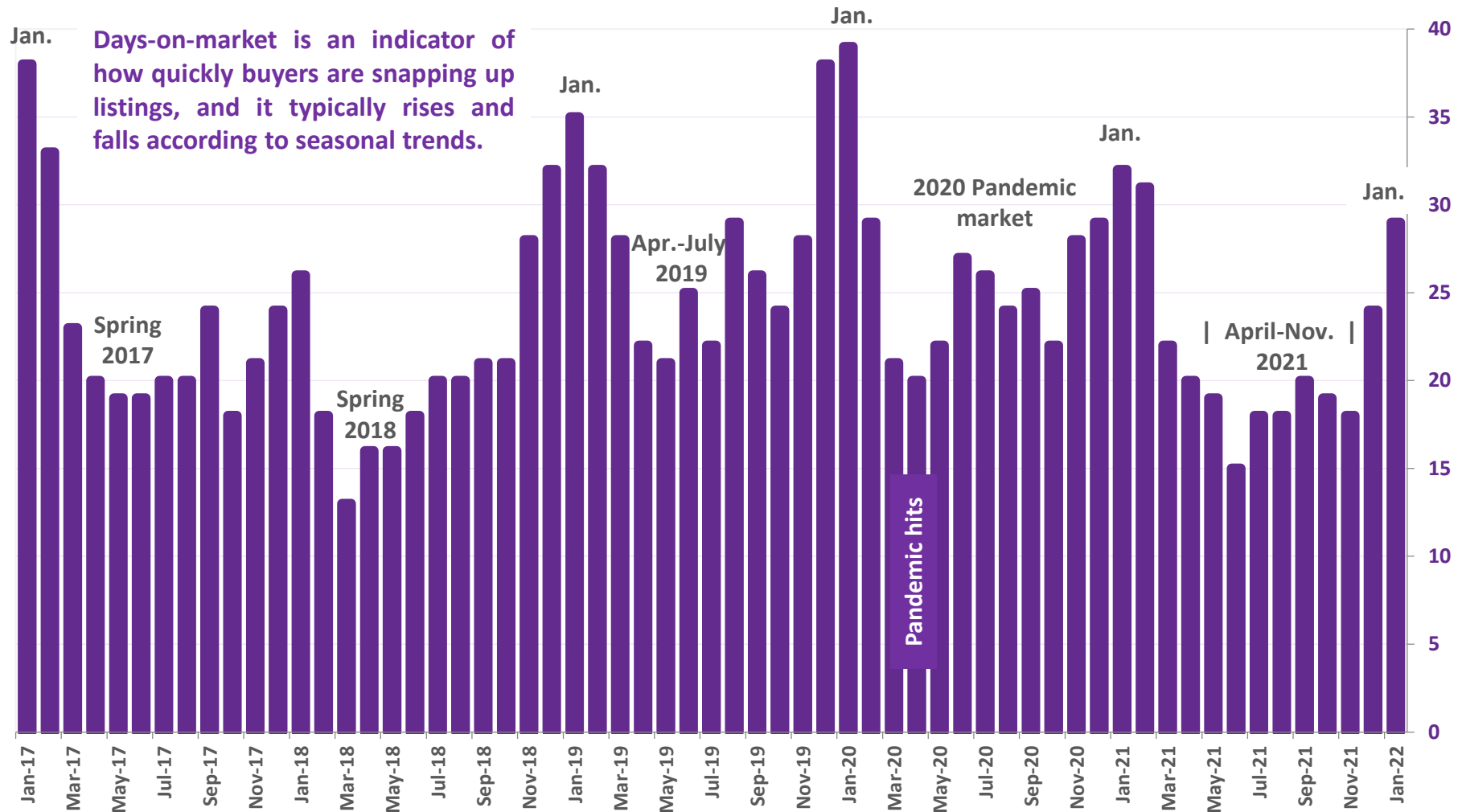
As reported to NorCal MLS Alliance. These analyses were performed in good faith with data derived from sources deemed reliable, but they may contain errors and are subject to revision. All numbers approximate.

COMPASS

# Average Days on Market

## San Mateo County: Time on Market to Accepted Offer

MLS sales of houses, condos and townhouses, per Infosparks



As reported to NorCal MLS Alliance. These analyses were performed in good faith with data derived from sources deemed reliable, but they may contain errors and are subject to revision. All numbers approximate.

COMPASS

Statistics are generalities, essentially summaries of widely disparate data generated by dozens, hundreds or thousands of unique, individual sales occurring within different time periods. They are best seen not as precise measurements, but as broad, comparative indicators, with reasonable margins of error. Anomalous fluctuations in statistics are not uncommon, especially in smaller, expensive market segments. Last period data should be considered estimates that may change with late-reported data. Different analytics programs sometimes define statistics – such as “active listings,” “days on market,” and “months supply of inventory” – differently: what is most meaningful are not specific calculations but the *trends* they illustrate. Most listing and sales data derives from the local or regional multi-listing service (MLS) of the area specified in the analysis, but not all listings or sales are reported to MLS and these won’t be reflected in the data. “Homes” signifies real-property, single-household housing units: houses, condos, co-ops, townhouses, duets and TICs (but not mobile homes), as applicable to each market. City/town names refer specifically to the named cities and towns, unless otherwise delineated. Multi-county metro areas will be specified as such. Data from sources deemed reliable, but may contain errors and subject to revision. All numbers to be considered approximate.

Many aspects of value cannot be adequately reflected in median and average statistics: curb appeal, age, condition, amenities, views, lot size, quality of outdoor space, “bonus” rooms, additional parking, quality of location *within* the neighborhood, and so on. How any of these statistics apply to any particular home is unknown without a specific comparative market analysis.

Median Sales Price is that price at which half the properties sold for more and half for less. It may be affected by seasonality, “unusual” events, or changes in inventory and buying trends, as well as by changes in fair market value. The median sales price for an area will often conceal an enormous variety of sales prices in the underlying individual sales.

Dollar per Square Foot is based upon the home’s interior living space and does not include garages, unfinished attics and basements, rooms built without permit, patios, decks or yards (though all those can add value to a home). These figures are usually derived from appraisals or tax records, but are sometimes unreliable (especially for older homes) or unreported altogether. The calculation can only be made on those home sales that reported square footage.

*Compass is a real estate broker licensed by the State of California, DRE 01527235. Equal Housing Opportunity. This report has been prepared solely for information purposes. The information herein is based on or derived from information generally available to the public and/or from sources believed to be reliable. No representation or warranty can be given with respect to the accuracy or completeness of the information. Compass disclaims any and all liability relating to this report, including without limitation any express or implied representations or warranties for statements contained in, and omissions from, the report. Nothing contained herein is intended to be or should be read as any regulatory, legal, tax, accounting or other advice and Compass does not provide such advice. All opinions are subject to change without notice. Compass makes no representation regarding the accuracy of any statements regarding any references to the laws, statutes or regulations of any state are those of the author(s). Past performance is no guarantee of future results.*

COMPASS